UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

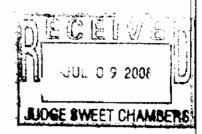
AXION POWER INTERNATIONAL, INC.,)
WILLIAM and TRACY AHEARN, h/w,)
SALLY FONNER, and JAMES SMITH, M.D.,)

Plaintiffs,

- against -

MERCATUS & PARTNERS, LTD., CARI MASI a/k/a CARY MASI, STEPHEN CEVOLO, BANCA MB S.p.A., AND DWIGHT PARSCALE,

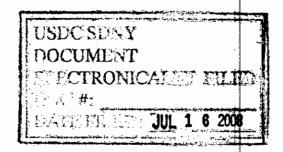
Defendants.



No.: 07 CV 11493 (RWS)

ECF Case

STIPULATION



IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned counsel, that the date by which defendant Banca MB S.p.A. ("Banca MB") must answer, move or otherwise respond to the Amended Complaint dated May 6, 2008, is extended to and includes July 31, 2008;¹ and

IT IS FURTHER STIPULATED AND AGREED that this stipulation shall not be deemed a waiver of any rights, arguments or defenses available to the parties or in any way impair such rights, arguments or defenses; and

This is Banca MB's first agreed-upon extension request with respect to the Amended Complaint,

IT IS FURTHER STIPULATED AND AGREED that this Stipulation may be executed in counterparts, and a signature transmitted by telecopier or .pdf image may be filed as an original.

Dated: New York, New York July 7, 2008

FELLHEIMER AND EICHEN LLP

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Attorneys for Plaintiffs

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. William P. Frank

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Attorneys for Defendant Banca MB S.p.A.

So Ordered:

United States District Judge

LAURA TAYLOR SWAIN U.S.D.J.

Part I